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June 16, 2005

To: Supervisor Gloria Molina, Chair
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 Supervisor Don Knabe
 Supervisor Michael D. Antonovich

From: David E. Janssen
 Chief Administrative Officer

**REPORT ON THE COUNTY'S PSYCHIATRIC EMERGENCY SERVICES SYSTEM
 (AGENDA ITEM NO. 15 OF JUNE 20, 2005 -- BUDGET DELIBERATIONS)**

On April 26, 2005, your Board instructed my office, in collaboration with County Counsel, and the Directors of Health Services (DHS) and Mental Health (DMH), to take actions to ensure that the County provides systems of support for individuals currently using psychiatric emergency services (PES) at County facilities.

The requested actions included: develop a strategy to permit Lanterman-Petris-Short (LPS) designation of specific psychiatric emergency care facilities; review the adequacy of the physical facilities used for psychiatric emergency services; recommend a funding source for any psychiatric restructuring needs; develop coordinated clinical documentation, claiming and discharge policies and procedures that facilitate operations; complete an analysis of the psychiatric emergency services system; and develop a methodology for settling cost issues between DHS and DMH related to psychiatric emergency services.

County Counsel has responded separately to your Board regarding the question of LPS designation, supporting the proposed use of urgent care centers for patients involuntarily held for assessment and treatment due to being a danger to themselves and others, as long as the State Department of Mental Health has approved the proposed use.

PES Funding Issues

Of significance to the discussion on funding for PES is the outcome of the discussions currently underway in the DMH stakeholder planning process for use of Proposition 63 Mental Health Services Act (MHSA) funding. An estimated \$89.7 million in MHSA funds is expected to become available beginning on January 1, 2006, once the County's Plan has been approved by the State. Access to additional MHSA funding will be contingent on proposals being consistent with the State-approved plans submitted by the County for the various components of the MHSA.

Just as important, as the specific funding proposals which result from that stakeholder process, will be the overall design of the mental health system envisioned by the participants in that process and the respective roles to be played by DMH and DHS in that system.

Final Changes Recommendations

In the interim, to address immediate needs, we have included as part of the 2005-06 Final Change recommendations to be considered by your Board, \$10.9 million in one-time net County cost overmatch funding to operationalize the DMH and DHS recommendations for 107 additional beds to decompress the overcrowding at DHS psychiatric emergency rooms and psychiatric inpatient services. Specifically, the \$10.9 million will fund 48 new residential beds, 23 acute psychiatric inpatient beds, and 20 new Institutes for Mental Diseases (IMD) beds to provide increased bed availability for mental health patients from DHS facilities. In addition, the funding provides for 16 acute psychiatric beds at LPS-designated private hospitals for DMH Psychiatric Mobile Response Teams (PMRTs) destinations when the County psychiatric emergency rooms are at capacity. The \$10.9 million will provide DMH the bridge funding necessary as DMH, stakeholders, and community partners collaboratively develop plans for system transformation and restructuring of service delivery through the MHSA planning process.

The Final Change recommendations also include the redirection of resources from the State Hospitals to fund a 38-bed residential facility, Cedar Street, on the grounds of Metropolitan State Hospital which will allow clients ready for discharge from IMD beds to transition to this lower level of care facility, thereby increasing IMD bed availability for patients from DHS facilities.

In addition, the recommendations include the Board-approved PES Relief plan, jointly developed by DMH and DHS, to relieve pressure on DHS' psychiatric emergency rooms by providing outpatient urgent care mental health services at the Olive View Medical Center (OVMC). A portion of the DMH funding for the first phase of that project is reflected in the DHS Final Change recommendations as intrafund transfers for additional assessment services from Alcohol and Drug Programs Administration (ADPA) under its contract with a community-based provider and revenue for intensive case management services from OVMC.

The Departments agree that the measures will have an immediate impact, lay the foundation for further measures that may be funded through the MHSA, and must be undertaken in coordination with other agencies that are involved.

Funding Methodology

In an effort to address long-standing cost issues between DHS and DMH regarding the provision of psychiatric services, both Departments have agreed to a funding methodology for psychiatric inpatient services at the County hospitals and outpatient services at LAC+USC Medical Center (LAC+USC). Based on this methodology, it appears that the funding DMH provides to DHS is consistent with the level of inpatient and outpatient psychiatric services provided at DHS facilities.

However, discussions continue regarding a funding methodology for services provided in DHS psychiatric emergency rooms, and it is here that DHS indicates a funding gap for psychiatric services. In order to facilitate the discussions regarding reimbursement, DHS is implementing a data collection project, in collaboration with DMH, as described further below, to gather and analyze the patient data.

PES Programmatic Issues

As reported separately to your Board, DMH and DHS have worked to improve the collaboration and coordination of the efforts of their respective Departments, which include efforts related to actions requested by your Board. As part of these ongoing discussions, DHS and DMH are continuing to evaluate the role that the County's psychiatric emergency rooms will play in the post-Proposition 63 mental health system, once implemented.

In order to provide data to better understand the patients seen and treated in the County's PES, as well as to help address funding issues, DHS and DMH are finalizing a data collection instrument which will be used during a three-month pilot project at the four County psychiatric emergency rooms this summer, beginning late in June. DHS is completing a recruitment and selection process to identify Student Professional Workers who will be assigned to County facilities to use this data collection instrument to gather and analyze data about patients seen at the County facilities. Once the data is available, a DHS/DMH planning group will meet to review the data for program planning.

County Psychiatric Facilities

DHS met with the County Hospital Chief Executive Officers and Psychiatry Administrators to review current PES capacities and their capital and structural improvement needs, including projects completed or in progress.

DHS indicates that the capacity of the County Hospital psychiatric emergency rooms has been determined by using a system-wide formula which includes treatment bays and appropriate waiting spaces available. Using this methodology, capacity at DHS psychiatric emergency rooms has been determined as: Martin Luther King, Jr./Drew Medical Center (MLK/Drew) at 18; Harbor-UCLA Medical Center at 15; and LAC+USC Medical Center and OVMC both at 12. When the hospital psychiatric emergency room reaches capacity, it goes on diversion status. Beginning in July 2005, when County facilities reach capacity, the DMH-managed outreach teams will divert patients to private hospitals within the respective areas as Phase I of the expanded diversion program.

With respect to projects which increase the physical capacity of the DHS facilities, DHS indicates that:

- OVMC created a separate PES area for adolescents and minors.
- MLK/Drew is in the process of developing a PES overflow area for children under age 13 years. This project is expected to be completed within the next four weeks.
- LAC+USC developed a temporary 12-bed PES overflow unit. The unit is also being used to separate adolescents from adult patients in the main psychiatric emergency room.

DHS also indicates that these projects were financed using existing funding and add to the funding gap.

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Further, in a separate action to be presented to your Board, capital projects work is being recommended for the psychiatric inpatient and emergency room areas at MLK/Drew. While no additional capital improvement projects are currently planned, DHS is continuing to review the PES capital improvements needs at County facilities.

Discharge Policies

While each DHS facility has in place discharge policies and procedures for their respective facilities, DHS staff have now drafted a system-wide DHS policy for discharge criteria and process, specifically for involuntary placement at lower level of care residential treatment programs. The policy has been drafted in collaboration with DMH and will be finalized by the end of June. Following that action, DHS and DMH will refine procedures for the DMH PES Liaisons to assist with linkage of patients from DHS/PES to the clinically appropriate psychiatric community resources, as determined by the treatment staff.

Additionally, with assistance from ADPA staff, DHS will place drug and alcohol assessment and referral counselors at each of the four County psychiatric emergency rooms to assist with the coordination of post-discharge substance abuse treatment services. The placement of these counselors is scheduled to begin by August 1, 2005. DHS expects the counselors to assist the discharge planning staff of the County hospital psychiatric inpatient units, as well with linkages of patients to appropriate substance abuse treatment programs.

Periodic reports will be provided to your Board on the status of these efforts. If you have questions or need additional information, please contact me, or your staff may contact Sheila Shima of my staff, at (213) 974-1160.

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PES Report

c: Executive Officer, Board of Supervisors
County Counsel
Director of Health Services
Director of Mental Health